



Wrexham Supporters Society Limited (the Wrexham Supporters Trust)
Annual General Meeting 2016
19.30 on 26 May 2016 at the Centenary Club, Wrexham

Present:

Society members and the following Board Members:

Peter Jones (Chairperson), John Mills (Vice Chairperson), Brian Phillips (Treasurer), Alan Fox (Secretary), Spencer Harris, Anita Robinson, Mark Williams, Mike Dean, Dave Jones, Paul Smith, Stuart Roberts and Tom Stanford, Richard Ulrich and Gavin Jones.

Introduction

Peter Jones opened the meeting and introduced the agenda. The minutes from the 2015 were then considered.

Item 1 – Approval of the Minutes from the 2015 annual General Meeting

One amendment was requested under “Any other Business” – the addition that “concern was expressed by a member that the membership was not notified about the setting up the company”.

With the inclusion of the above, Society members unanimously agreed that the minutes represented a correct record of the meeting.

Item 2 – Chairman’s report

This was presented to the meeting

Item 3 – Result of the election to the Trust Board

Alan Fox introduced this item. He explained that there were 5 candidates standing for 4 vacancies. He introduced Simon Olorenshaw, Chairman of Chester FC and Fran Merola to confirm the election results.

Simon Olorenshaw then read the results out to the meeting:

Stuart Roberts – 177 votes (elected)
Anita Robinson – 188 votes (elected)
Paul Smith – 195 votes (elected)
Tom Stanford – 136 votes (not elected)
Mark Williams – 234 votes (elected)

Peter Jones congratulated the successful candidates and also offered his commiseration to Tom. He expressed his thanks for all of Tom's hard work whilst serving on the Board.

Alan Fox expressed his disappointment about the turnout with the Society having over 3,500 members. He also said that the turnout was lower than 2014.

Item 4 – Treasurer's report

Mark Williams introduced this item.

Wrexham Supporters Trust accounts

He asked members present to turn to page 9 of the accounts where he presented the summary position.

Income – was similar to 2014 (2015 - £110.0K; 2014 - £111.6K)
Expenditure had increased on 2014 (2015 - £37.9K; 2014 - £24.1K)
Surplus had reduced by £15K on the previous year (2015 – £72.1K; 2014 £87.4K)

Explanations were given for the significant impacts on the outturn:

Income:

There was a rise in membership subscriptions in December 2014 that hit that year's accounts. This resulted from ticketing arrangements for the 3rd round FA cup game against Stoke City.

Merchandise – income had fallen in 2015 but this is because most items are now sold by the club rather than the Trust

Fundraising – this was higher in 2015, in part, because of the accounting treatment regarding the Disabled Platform.

Expenditure:

This was mostly as a result of administration costs regarding the acquisition of the 99 year lease. However, this was partly offset by lower fundraising costs.

Balance Sheet:

The main areas that were drawn to the attention of members were:

Investments – the value had increased because of the new Disabled Platform, acquisition of the racecourse ground and the purchase of frost covers.

As of 31 December 2015, the Trust had net assets of £939,385 predominately invested in Wrexham AFC (£837,524).

Question was raised by a member – re page 16 of the accounts. What did the £15,110 professional fees represent? Mark mentioned that these related to negotiation fees with the University regarding the lease of the stadium.

The accounts were proposed and seconded and unanimously approved.

Item 5 - Reappointment of Auditors

This item is included as a resolution

Item 6 – Outline of budget for Wrexham AFC Limited

Income:

The 2016-17 turnover is projected to be £2.2m (£456K higher than 2015-16). The increase is primarily a result of increased sponsorship income.

Projected operating loss of £70K that is met by WST equity.

Key assumptions and main significant variances from 2015:

Gate receipts of 2,074 season ticket holders paying, on average, £183/head (excluding VAT).

Paying attendees of 2,274/game @ £11/head.

Last year, there were 2,229 season tickets sold at an average of £174. As of 26 May 2016, 485 season tickets had been sold at an average price of £179/head. This is 139 more than the same period last year.

Matchday Commercial – increased the forecast as a result of continuing improvement in matchday hospitality and increased wet and dry sales.

Non Matchday commercial – increased the income budget to reflect more opportunities to improve stadium sponsorship.

Retail – lower forecast based on last year's performance (e.g. using Lord Street as a "Pop-up Christmas shop" rather than Eagles Meadow). There was reduced footfall.

Racecourse Income – this new source of funding results from the 99 year lease acquisition. Income that would previously have gone to the University will now come to the Club.

Expenditure:

These are projected to be £2.038m. Some of the main factors that have influence on the budget are:

Variable costs – primarily wet and dry sales and casual labour

Utility cost – apparently high cost of electricity paid by the University. To look to see how this can be reduced through efficiencies and negotiations.

Service costs – equipment

License – this is the music license fee.

Maintenance – includes the maintenance of the pitch. However, the relaying of the pitch is the University's responsibility.

Staff costs – the increase reflects the additional TUPE cost of university staff.

OPPORTUNITIES AND RISKS

These are areas that will have a significant impact on financial performance.

Opportunities:

No FA cup or FA Trophy income has been forecasted into the budget.

No first team transfer fees have been forecasted into the budget.

Following the acquisition of the 99 year lease, there is huge potential to generate more income from the increased use of the facility.

Risks:

Number of season ticket sales and the number of paying attendees are two of the biggest risks affecting income.

Conference central payment. It is not known when or how much this will be.

Retail income.

Youth department – how much will be received for compensation agreements.

Stadium income and operating costs – financial due diligence has taken place but the exact position of both is not yet known.

Three pillars of Wrexham Football club:

These are categorized as the first team, youth and club development. The first team is the primary aim with youth development and club development breaking even to support the first team. Last year, gate receipts were above forecast so, in season, additional support was able to be given to support the manager.

There is now a fourth pillar – the Stadium. The target is to lose no more than £123K.

Questions and Answers on the accounts:

Q - How are we getting on with sponsorship/rebranding?

A – We are looking at everything – some sponsorship has been agreed whilst other areas are open for sponsorship.

Q – Is Colliers Park still subject to negotiation?

A – Negotiations have been opened with the University

Q – Is there budget for a Reserve team next year?

A – Yes, an allowance has been made in the budget.

Q – Have student match day prices been considered?

A – Yes, it was considered but felt that the current pricing structure was more appropriate. The club are considering to look to do something with students who go to Glyndwr University.

Q – Would the club consider trialling student prices at on match?

A – This is something that will not be ruled out but the timing is important.

Q – It looks that there is a lot of money needed on the ground. What budget is there for maintenance?

A – At the SGM, it was presented to members that the club fully considered acquisition, maintenance and development costs. There is a budget for general maintenance. Also, last season, the club had to pay for maintenance in the Tech End (GUS stand) and meet 50% of the cost for barriers failing in the Mold Road stand. As part of acquiring the ground, the club will look at competitive tendering to procure the best price for maintenance as well looking at how members can practically help the club.

Q – There are no first team player fees in the current year's accounts?

A – The figures are budgets at this stage and not actuals. Any income from player fees will be reported at the Club's AGM.

Q – Where is the revenue coming from to pay for the lease payment?

A – We are now able to obtain sponsorship for all parts of the stadium as well as being able to generate revenue from day to day use. Also, the University were going to levy costs without us being able to raise revenue to cover this. Now we have acquired the lease we will be able to exploit all sponsorship potential.

Item 7 – Voting on resolutions

Resolution A

Summary – To extend the appointment of the Honorary President of Wrexham AFC.

Results:

No one spoke against the resolution
No votes against the resolution on the night
No abstentions on the night

After all votes casts (on-line, postal and on the night)

For – 360
Against - 2
Abstentions – 2

Resolution was carried.

Resolution B

Summary – To appoint Robert Parry to be an Honorary Life Vice President of Wrexham FC.

Results:

No one spoke against the resolution
No votes against the resolution on the night
No abstentions on the night

After all votes casts (on-line, postal and on the night)
For – 255
Against - 12
Abstentions – 6

Resolution was carried

Resolution C

Summary – To authorize the use of Trust Funds to invest in Wrexham AFC and/or WST Assets Limited

No one spoke against the resolution
No votes against the resolution on the night
No abstentions on the night

After all votes casts (on-line, postal and on the night)
For – 262
Against - 2
Abstentions –0

Resolution was carried.

Resolution D

Summary – To authorize the reappointment of the Society auditors.

No one spoke against the resolution
No votes against the resolution on the night
No abstentions on the night

After all votes casts (on-line, postal and on the night)
For – 260
Against - 2
Abstentions –0

Resolution was carried.

Resolution E

Summary – To introduce a qualified administration fee for basic Society membership and to keep the basic membership fee at £12 per annum.

Three people spoke against the resolution – they expressed the view that once you have paid the minimum annual subscription you should not be expected to pay anymore.

The Board stated their view for raising the resolution. A one-off payment does not necessarily guarantee an automatic renewal of subscriptions. When paying by standing order, it is more likely that the member will renew. Also, out of over 3,500 members, only approximately 800 pay by standing order.

There were 3 votes against the resolution on the night

There were 3 abstentions against the resolution on the night

After all votes casts (on-line, postal and on the night)

For – 232

Against - 27

Abstentions –5

Resolution was carried.

Item 8 – Any other Business

Q – What are the Board's view of the proposed restructuring of the football league?

A – Too early to tell. A letter has been received from the football league but there is a lack of detail. May have a stronger view if the club gets back into the league. Possibly look for members' guidance.

Q – There has been a redesign of the Junior and Youth Dragons logo. Any plans to redesign the WST's?

A – A vote was taken a few years ago, but the decision was made to keep it.

Q – Other clubs are offering 2 year deals, why do we go for one year deals?

A – We offer a one year deal with the option of a second year depending on performance.

Q – Are the club going to work with the new Police Crime Commissioner to end the bubble match restrictions?

A – No plans yet. Open minded about the restrictions. Will need to balance this with operational impacts such as road and pub closures.

Q – How are we going to continue balancing the books?

A – There are a lot of variables to consider (e.g. gate receipts, the commercial side). A review of the financial position is taken in October/November to see how we are performing and allows us to plan ahead to, either, invest further in the first team or keep money back.

The meeting finished at 9.40pm

